

"SEC. 1504. DROPOUT REPORTING.

"State educational agencies receiving funds under this title shall annually report to the National Center on Education Statistics (established under section 403 of the National Education Statistics Act of 1994 (20 U.S.C. 9002)) on the dropout rate of students in the State, as defined for the Center's Common Core of Data."

(b) **CONTINUATION OF AWARDS.**—Notwithstanding any other provision of this Act, any person or agency that was awarded a grant under part G of title X (20 U.S.C. 8161 et seq.) prior to the date of the enactment of this Act shall continue to receive funds in accordance with the terms of such award until the date on which the award period terminates under such terms.

PART F—COMPREHENSIVE SCHOOL REFORM

SEC. 161. SCHOOL REFORM.

Part F of title I is amended to read as follows:

"PART F—COMPREHENSIVE SCHOOL REFORM

"SEC. 1601. COMPREHENSIVE SCHOOL REFORM.

"(a) **FINDINGS AND PURPOSE.**—

"(1) **FINDINGS.**—Congress finds the following:

"(A) A number of schools across the country have shown impressive gains in student performance through the use of comprehensive models for schoolwide change that incorporate virtually all aspects of school operations.

"(B) No single comprehensive school reform model may be suitable for every school, however, schools should be encouraged to examine successful, externally developed comprehensive school reform approaches as they undertake comprehensive school reform.

"(C) Comprehensive school reform is an important means by which children are assisted in meeting challenging State student academic achievement standards.

"(2) **PURPOSE.**—The purpose of this section is to provide financial incentives for schools to develop comprehensive school reforms, based upon scientifically-based research and effective practices that include an emphasis on basic academics and parental involvement so that all children can meet challenging State content and academic achievement standards.

"(b) **PROGRAM AUTHORIZED.**—

"(1) **IN GENERAL.**—The Secretary is authorized to provide grants to State educational agencies to provide subgrants to local educational agencies to carry out the purpose described in subsection (a)(2).

"(2) **ALLOCATION.**—

"(A) **RESERVATION.**—Of the amount appropriated under this section, the Secretary may reserve—

"(i) not more than 1 percent for schools supported by the Bureau of Indian Affairs and in the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands;

"(ii) not more than 1 percent to conduct national evaluation activities described under subsection (e); and

"(iii) not more than 2 percent of the amount appropriated in fiscal year 2002 to carry out this part, for quality initiatives described under subsection (f).

"(B) **IN GENERAL.**—Of the amount of funds remaining after the reservation under subparagraph (A), the Secretary shall allocate to each State for a fiscal year, an amount that bears the same ratio to the remainder for that fiscal year as the amount made available under section 1124 to the State for the preceding fiscal year bears to the total amount allocated under section 1124 to all States for that year.

"(C) **REALLOCATION.**—If a State does not apply for funds under this section, the Secretary shall reallocate such funds to other States that do apply in proportion to the amount allocated to such States under subparagraph (B).

"(c) **STATE AWARDS.**—

"(1) **STATE APPLICATION.**—

"(A) **IN GENERAL.**—Each State educational agency that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner and containing such other information as the Secretary may reasonably require.

"(B) **CONTENTS.**—Each State application shall also describe—

"(i) the process and selection criteria by which the State educational agency, using expert review, will select local educational agencies to receive subgrants under this section;

"(ii) how the agency will ensure that funds under this part are used only for comprehensive school reform programs that—

"(I) include each of the components described in subsection (d)(2);

"(II) have the capacity to improve the academic achievement of all students in core academic subjects within participating schools; and

"(III) are supported by technical assistance providers that have a successful track record, financial stability, and the capacity to deliver high-quality materials and professional development for school personnel.

"(iii) how the agency will disseminate materials regarding information on comprehensive school reforms that are based on scientifically-based research and effective practices;

"(iv) how the agency will evaluate annually the implementation of such reforms and measure the extent to which the reforms resulted in increased student academic performance; and

"(v) how the agency will provide, technical assistance to the local educational agency or consortia of local educational agencies, and to participating schools, in evaluating, developing, and implementing comprehensive school reform.

"(2) **USES OF FUNDS.**—

"(A) **IN GENERAL.**—Except as provided in subparagraph (E), a State educational agency that receives an award under this section shall use such funds to provide competitive grants to local educational agencies or consortia of local educational agencies in the State receiving funds under part A to support comprehensive school reforms in schools eligible for funds under such part.

"(B) **GRANT REQUIREMENTS.**—A grant to a local educational agency or consortium shall be—

"(i) of sufficient size and scope to support the initial costs of the comprehensive school reforms selected or designed by each school identified in the application of the local educational agency or consortium;

"(ii) in an amount not less than \$50,000 to each participating school; and

"(iii) renewable for two additional 1-year periods after the initial 1-year grant is made if schools are making substantial progress in the implementation of their reforms.

"(C) **PRIORITY.**—The State, in awarding grants under this paragraph, shall give priority to local educational agencies that—

"(i) plan to use the funds in schools identified as being in need of improvement or corrective action under section 1116(c); or

"(ii) demonstrate a commitment to assist schools with budget allocation, professional development, and other strategies necessary to ensure the comprehensive school reforms are properly implemented and are sustained in the future.

"(D) **GRANT CONSIDERATION.**—In making subgrant awards under this part, the State educational agency shall take into account the equitable distribution of awards to different geographic regions within the State, including urban and rural areas, and to schools serving elementary and secondary students.

"(E) **ADMINISTRATIVE COSTS.**—A State educational agency that receives a grant award under this section may reserve not more than 5 percent of such award for administrative, evaluation, and technical assistance expenses.

"(F) **SUPPLEMENT.**—Funds made available under this section shall be used to supplement,

not supplant, any other Federal, State, or local funds that would otherwise be available to carry out this section.

"(3) **REPORTING.**—Each State educational agency that receives an award under this section shall provide to the Secretary such information as the Secretary may require, including the names of local educational agencies and schools selected to receive subgrant awards under this section, the amount of such award, a description of the comprehensive school reforms selected and in use and a copy of the State's annual evaluation of the implementation of comprehensive school reforms supported under this part and student achievement results.

"(d) **LOCAL AWARDS.**—

"(1) **IN GENERAL.**—Each local educational agency or consortium that applies for a subgrant under this section shall—

"(A) identify which schools eligible for funds under part A plan to implement a comprehensive school reform program, including the projected costs of such a program;

"(B) describe the comprehensive school reforms based on scientifically-based research and effective practices that such schools will implement;

"(C) describe how the agency or consortium will provide technical assistance and support for the effective implementation of the school reforms based on scientifically-based research and effective practices selected by such schools; and

"(D) describe how the agency or consortium will evaluate the implementation of such reforms and measure the results achieved in improving student academic performance.

"(2) **COMPONENTS OF THE PROGRAM.**—A local educational agency that receives a subgrant award under this section shall provide such funds to schools that implement a comprehensive school reform program that—

"(A) employs proven strategies and proven methods for student learning, teaching, and school management that are based on scientifically-based research and effective practices and have been replicated successfully in similar schools;

"(B) integrates a comprehensive design for effective school functioning, including instruction, assessment, classroom management, professional development, parental involvement, and school management, that aligns the school's curriculum, technology, and professional development into a comprehensive reform plan for schoolwide change designed to enable all students to meet challenging State content and challenging student performance standards and addresses needs identified through a school needs assessment;

"(C) provides high-quality and continuous teacher and staff professional development;

"(D) includes measurable goals for student performance and benchmarks for meeting such goals;

"(E) is supported by teachers, principals, administrators, and other professional staff;

"(F) provides for the meaningful involvement of parents and the local community in planning and implementing school improvement activities;

"(G) uses high quality external technical support and assistance from an entity, which may be an institution of higher education, with experience and expertise in schoolwide reform and improvement;

"(H) includes a plan for the annual evaluation of the implementation of school reforms and the student results achieved;

"(I) identifies how other resources, including Federal, State, local, and private resources, available to the school will be used to coordinate services to support and sustain the school reform effort; and

"(J)(i) has been found, through rigorous field experiments in multiple sites, to significantly improve the academic performance of students participating in such activity or program as compared to similar students in similar schools, who have not participated in such activity or program; or